

NEW JERSEY CASINO CONTROL COMMISSION

Tennessee Avenue and Boardwalk
Atlantic City, NJ 08401

CCC Announces 2nd Quarter 2006 Results

For Immediate Release

Thursday, August 17, 2006

Contact: Daniel Heneghan
Public Information Officer
609 441-3799
dheneghan@ccc.state.nj.us

ATLANTIC CITY -- Casinos here reported an 8.5 percent increase in gross operating profits in the second quarter of 2006, according to figures released Thursday by the New Jersey Casino Control Commission.

Gross operating profits totaled \$355.9 million for the three-month period compared to \$327.9 million for the same period last year. Net revenues rose by 4.8 percent for the period to \$1.27 billion.

The Borgata led the industry with gross operating profits of \$58.2 million, an increase of 0.3 percent over the same period a year ago. Bally's Atlantic City reported gross operating profits of \$54.5 million, a 25.9 percent increase. Harrah's earned \$45.3 million in gross operating profits, a 2.1 percent increase while Caesars reported \$44.9 million in gross operating profits, 20.2 percent more than in the same period a year ago.

Showboat reported a 4.7 percent decline in gross operating profits to \$36.3 million; Tropicana earned \$35.3 million in gross operating profits, up 10.9 percent; and Trump Taj Mahal reported \$30.5 million in gross operating profits, up 19.7 percent.

Gross operating profits rose by 91.2 percent at the Atlantic City Hilton to \$15.8 million; Trump Marina reported \$13.7 million in gross operating profits, up 4.4 percent and Trump Plaza earned \$11.5 million in gross operating profits, a decline of 1.9 percent. Resorts reported gross operating profits of \$5.5 million, a

decline of 57.7 percent and the Sands reported \$4.6 million in gross operating profits, an increase of 27.7 percent.

Gross operating profit represents earnings before interest, taxes, depreciation, amortization and charges from affiliates. After all of those other charges, the industry reported a net profit of \$98.5 million for the three-month period.

Hotel occupancy rose slightly to 93.1 percent from 93.0 percent. The 12 casinos reported a total of 1.27 million occupied room nights. Promotional allowances and expenses increased by 5.9 percent in the quarter to \$413.4 million.

For the first half of the year, gross operating profits for the industry were up 12.1 percent to \$669.2 million. In the same period, net revenues increased by 6.2 percent to \$2.46 billion. Casinos reported net income of \$171.4 million for the first half of this year.

(Anyone interested in obtaining detailed financial data about each individual casino may download them from the commission's web site at <http://www.state.nj.us/casinos/financia/qtrincome> . For more information contact the Office of Communications.)

**ATLANTIC CITY CASINO INDUSTRY
STATEMENT OF INCOME STATISTICS
FOR THE QUARTER ENDED JUNE 30, 2006 AND 2005**
(\$ in Thousands)

	Net Revenue		Fav (Unfav) Var %	Gross Operating Profit		Fav (Unfav) Var %	Net Income		Fav (Unfav) Var %
	<u>2006</u>	<u>2005</u>		<u>2006</u>	<u>2005</u>		<u>2006</u>	<u>2005</u>	
AC Hilton (a)	\$ 75,792	\$ 68,419	10.8	\$ 15,795	\$ 8,263	91.2	\$ 8,529	\$ 22,833	(62.6)
Bally's AC (b)	169,466	159,932	6.0	54,522	43,293	25.9	17,752	22,666	(21.7)
Borgata	189,372	184,386	2.7	58,163	58,005	0.3	34,798	36,413	(4.4)
Caesars (b)	130,756	123,803	5.6	44,875	37,321	20.2	11,848	6,817	73.8
Harrah's Marina	117,533	108,964	7.9	45,318	44,365	2.1	15,330	15,321	0.1
Resorts	63,660	62,626	1.7	5,472	12,932	(57.7)	(5,548)	1,159	N/A
Sands	41,655	40,922	1.8	4,566	3,575	27.7	275	(812)	N/A
Showboat	100,392	94,500	6.2	36,279	38,073	(4.7)	4,031	3,248	24.1
Tropicana	122,371	119,746	2.2	35,298	31,843	10.9	3,451	12,039	(71.3)
Trump Marina	60,759	61,605	(1.4)	13,666	13,092	4.4	3,247	(67,125)	N/A
Trump Plaza	69,957	69,994	(0.1)	11,450	11,674	(1.9)	(2,102)	91,395	N/A
Trump Taj Mahal	<u>125,311</u>	<u>114,458</u>	9.5	<u>30,532</u>	<u>25,506</u>	19.7	<u>6,879</u>	<u>241,637</u>	(97.2)
Industry	<u>\$ 1,267,024</u>	<u>\$ 1,209,355</u>	4.8	<u>\$ 355,936</u>	<u>\$ 327,942</u>	8.5	<u>\$ 98,490</u>	<u>\$ 385,591</u>	(74.5)

(a) Caesars Entertainment, Inc. sold AC Hilton to Colony Capital, LLC on April 26, 2005. The "combined" statistics above for 2005 reflect the following (\$ in thousands)

	<u>Net Revenue</u>	<u>GOP</u>	<u>Net Income</u>
Caesars Entertainment	18,166	(312)	16,291
Colony Capital	50,253	8,575	6,542

(b) Harrah's Entertainment, Inc. acquired Caesars Entertainment, Inc. on June 13, 2005.

As of 8/17/2006

**ATLANTIC CITY CASINO INDUSTRY
STATEMENT OF INCOME STATISTICS
FOR THE SIX MONTHS ENDED JUNE 30, 2006 AND 2005
(\$ in Thousands)**

	Net Revenue		Fav (Unfav) Var %	Gross Operating Profit		Fav (Unfav) Var %	Net Income		Fav (Unfav) Var %
	<u>2006</u>	<u>2005</u>		<u>2006</u>	<u>2005</u>		<u>2006</u>	<u>2005</u>	
AC Hilton (a)	\$ 146,212	\$ 127,114	15.0	\$ 27,179	\$ 11,131	N/A	\$ 13,167	\$ 17,620	(25.3)
Bally's AC (b)	327,517	305,611	7.2	96,754	76,147	27.1	24,378	18,923	28.8
Borgata	376,940	356,520	5.7	124,024	116,892	6.1	79,508	74,347	6.9
Caesars (b)	252,969	239,495	5.6	79,760	70,705	12.8	17,425	11,508	51.4
Harrah's Marina	229,782	208,781	10.1	87,033	81,689	6.5	28,076	24,858	12.9
Resorts	121,938	118,993	2.5	10,166	18,971	(46.4)	(12,835)	(2,010)	N/A
Sands	82,429	80,888	1.9	9,455	6,724	40.6	716	(2,481)	N/A
Showboat	195,672	176,883	10.6	68,344	68,758	(0.6)	6,258	3,762	66.3
Tropicana	237,109	226,074	4.9	63,691	50,945	25.0	6,148	(13,951)	N/A
Trump Marina	117,604	119,318	(1.4)	24,871	24,414	1.9	4,211	(73,928)	N/A
Trump Plaza	133,371	133,912	(0.4)	20,289	20,591	(1.5)	(5,857)	79,781	N/A
Trump Taj Mahal	<u>242,650</u>	<u>227,064</u>	6.9	<u>57,636</u>	<u>49,895</u>	15.5	<u>10,254</u>	<u>227,049</u>	(95.5)
Industry	<u>\$2,464,193</u>	<u>\$2,320,653</u>	6.2	<u>\$ 669,202</u>	<u>\$ 596,862</u>	12.1	<u>\$ 171,449</u>	<u>\$ 365,478</u>	(53.1)

(a) Caesars Entertainment, Inc. sold AC Hilton to Colony Capital, LLC on April 26, 2005. The "combined" statistics above for 2005 reflect the following (\$ in thousands):

	<u>Net Revenue</u>	<u>GOP</u>	<u>Net Income</u>
Caesars Entertainment	76,861	2,556	11,078
Colony Capital	50,253	8,575	6,542

(b) Harrah's Entertainment, Inc. acquired Caesars Entertainment, Inc. on June 13, 2005.

**ATLANTIC CITY CASINO INDUSTRY
STATEMENTS OF INCOME
FOR THE QUARTER ENDED JUNE 30, 2006
(\$ in Thousands)**

	AC Hilton	Bally's AC	Borgata	Caesars	Harrah's Marina	Resorts	Sands	Showboat	Tropicana	Trump Marina	Trump Plaza	Trump Taj Mahal	Industry
REVENUE:													
Casino	\$ 85,315	\$ 172,085	\$ 172,855	\$ 132,082	\$124,430	\$ 69,438	\$ 43,783	\$109,001	\$112,943	\$ 63,866	\$ 76,947	\$ 132,102	\$ 1,294,847
Rooms	5,983	14,305	23,742	9,641	12,649	5,320	3,397	10,504	19,476	4,529	5,704	8,911	124,161
Food and Beverage	10,965	21,533	29,461	15,706	13,616	7,855	4,746	14,337	15,091	7,426	8,600	14,559	163,895
Other	3,313	6,247	11,079	2,866	2,692	1,404	599	2,722	6,589	3,106	2,281	4,657	47,555
Total Revenue	105,576	214,170	237,137	160,295	153,387	84,017	52,525	136,564	154,099	78,927	93,532	160,229	1,630,458
Less: Promotional Allowance	29,784	44,704	47,765	29,539	35,854	20,357	10,870	36,172	31,728	18,168	23,575	34,918	363,434
NET REVENUE	75,792	169,466	189,372	130,756	117,533	63,660	41,655	100,392	122,371	60,759	69,957	125,311	1,267,024
COSTS AND EXPENSES:													
Cost of Goods and Services	47,939	104,387	101,889	70,691	58,373	43,344	27,209	54,179	69,926	36,166	41,333	72,158	727,594
Selling, General, and Administrative	11,568	10,353	27,518	14,552	13,625	14,645	9,751	9,786	16,610	10,910	16,944	22,025	178,287
Provision for Doubtful Accounts	490	204	1,802	638	217	199	129	148	537	17	230	596	5,207
Total Costs & Expenses	59,997	114,944	131,209	85,881	72,215	58,188	37,089	64,113	87,073	47,093	58,507	94,779	911,088
GROSS OPERATING PROFIT	15,795	54,522	58,163	44,875	45,318	5,472	4,566	36,279	35,298	13,666	11,450	30,532	355,936
Depreciation and Amortization	5,219	10,407	14,773	9,095	9,472	5,526	3,809	8,470	11,645	3,527	5,156	8,587	95,686
Charges from Affiliates Other than Interest													
Management Fees	-	271	-	-	-	-	-	-	7,500	-	-	-	7,771
Other	1,091	2,909	-	2,717	3,950	-	124	5,584	-	1,214	1,287	1,576	20,452
INCOME (LOSS) FROM OPERATIONS	9,485	40,935	43,390	33,063	31,896	(54)	633	22,225	16,153	8,925	5,007	20,369	232,027
OTHER INCOME (EXPENSES):													
Interest (Expense) - Affiliate	-	(12,410)	-	(10,984)	(13,000)	(4,768)	-	(14,444)	(8,760)	(5,122)	(6,176)	(12,243)	(87,907)
Interest (Expense) - External	(10)	(187)	(4,271)	(129)	-	(1,338)	(105)	-	(6)	(270)	(419)	(574)	(7,309)
Invest. Alt. Tax & Related Income (Exp.)-Net	(574)	(2,126)	(724)	(1,521)	(782)	(288)	(265)	136	(528)	(186)	(330)	(570)	(7,758)
Nonoperating Income (Expense) - Net	282	996	(3,727)	(1,379)	(782)	987	266	(926)	110	230	184	538	(3,221)
Total Other Income (Expenses)	(302)	(13,727)	(8,722)	(14,013)	(14,564)	(5,407)	(104)	(15,234)	(9,184)	(5,348)	(6,741)	(12,849)	(106,195)
Income(Loss) Before Taxes&Extraordinary Items	9,183	27,208	34,668	19,050	17,332	(5,461)	529	6,991	6,969	3,577	(1,734)	7,520	125,832
Provision (Credit) for Income Tax	654	9,456	(130)	7,202	2,002	87	254	2,960	3,518	330	368	641	27,342
Income (Loss) Before Extraordinary Item	8,529	17,752	34,798	11,848	15,330	(5,548)	275	4,031	3,451	3,247	(2,102)	6,879	98,490
Extraordinary Items (Net of Income Taxes)	-	-	-	-	-	-	-	-	-	-	-	-	-
NET INCOME (LOSS)	\$ 8,529	\$ 17,752	\$ 34,798	\$ 11,848	\$ 15,330	\$ (5,548)	\$ 275	\$ 4,031	\$ 3,451	\$ 3,247	\$ (2,102)	\$ 6,879	\$ 98,490

As of 8/17/2006

**ATLANTIC CITY CASINO INDUSTRY
STATEMENTS OF INCOME
FOR THE QUARTER ENDED JUNE 30, 2005
(\$ in Thousands)**

	AC Hilton (a) (Caesars)	AC Hilton (a) (Colony)	Bally's (b)	Borgata	Caesars (b)	Harrah's Marina	Resorts	Sands	Showboat	Tropicana	Trump Marina	Trump Plaza	Trump Taj Mahal	Industry
REVENUE:														
Casino	\$ 19,021	\$ 53,203	\$ 157,729	\$ 169,596	\$ 128,335	\$ 116,466	\$ 67,290	\$ 43,682	\$ 102,019	\$ 108,617	\$ 65,390	\$ 77,079	\$ 123,672	\$ 1,232,099
Rooms	1,578	4,467	13,558	22,990	9,974	11,910	5,837	2,890	10,113	16,973	4,497	6,029	8,110	118,926
Food and Beverage	2,612	7,030	22,870	30,623	15,239	12,925	5,936	5,415	12,089	14,767	8,280	9,532	14,075	161,393
Other	1,299	1,352	5,387	7,345	4,353	3,416	1,121	886	1,869	5,575	2,810	2,791	4,073	42,277
Total Revenue	24,510	66,052	199,544	230,554	157,901	144,717	80,184	52,873	126,090	145,932	80,977	95,431	149,930	1,554,695
Less: Promotional Allowances	6,344	15,799	39,612	46,168	34,098	35,753	17,558	11,951	31,590	26,186	19,372	25,437	35,472	345,340
NET REVENUE	18,166	50,253	159,932	184,386	123,803	108,964	62,626	40,922	94,500	119,746	61,605	69,994	114,458	1,209,355
COSTS AND EXPENSES:														
Cost of Goods and Services	1,994	32,910	95,685	99,056	64,303	53,541	40,914	28,337	49,591	69,786	37,550	39,721	70,680	684,068
Selling, General, and Administrative	16,479	8,710	20,579	25,553	20,810	10,998	8,716	8,982	6,827	17,868	10,726	18,237	17,755	192,240
Provision for Doubtful Accounts	5	58	375	1,772	1,369	60	64	28	9	249	237	362	517	5,105
Total Costs & Expenses	18,478	41,678	116,639	126,381	86,482	64,599	49,694	37,347	56,427	87,903	48,513	58,320	88,952	881,413
GROSS OPERATING PROFIT	(312)	8,575	43,293	58,005	37,321	44,365	12,932	3,575	38,073	31,843	13,092	11,674	25,506	327,942
Depreciation and Amortization	1,241	2,093	11,358	13,787	8,556	9,471	4,884	3,933	8,155	10,593	4,182	4,530	10,003	92,786
Charges from Affiliates Other than Interest														
Management Fees	629		5,307	-	4,178	-	-	-	-	7,500	-	-	-	17,614
Other	-	-	-	-	1,648	3,277	-	204	4,794	-	829	1,078	1,374	13,204
INCOME (LOSS) FROM OPERATIONS	(2,182)	6,482	26,628	44,218	22,939	31,617	8,048	(562)	25,124	13,750	8,081	6,066	14,129	204,338
OTHER INCOME (EXPENSES):														
Interest (Expense) - Affiliate:	(1,500)		(12,286)	-	(9,827)	(13,000)	(5,315)	-	(14,439)	(13,410)	(8,441)	(9,997)	(18,606)	(106,821)
Interest (Expense) - External	-	-	(196)	(6,376)	(122)	-	(465)	(167)	-	-	(384)	(865)	(1,171)	(9,746)
Invest. Alt. Tax & Related Income (Exp.)-Net	(240)	(402)	(2,337)	(1,334)	(395)	(929)	(223)	23	(568)	(385)	(263)	(372)	(520)	(7,945)
Nonoperating Income (Expense) - Net	31,576	195	16,616	(290)	(96)	(27)	144	146	(5,168)	1,242	(41,910)	17,620	105,078	125,126
Total Other Income (Expenses)	29,836	(207)	1,797	(8,000)	(10,440)	(13,956)	(5,859)	2	(20,175)	(12,553)	(50,998)	6,386	84,781	614
Income(Loss) Before Taxes&Extraordinary Items	27,654	6,275	28,425	36,218	12,499	17,661	2,189	(560)	4,949	1,197	(42,917)	12,452	98,910	204,952
Provision (Credit) for Income Taxes	11,363	(267)	5,759	(195)	5,682	2,340	1,030	252	1,701	(10,842)	374	422	626	18,245
Income (Loss) Before Extraordinary Items:	16,291	6,542	22,666	36,413	6,817	15,321	1,159	(812)	3,248	12,039	(43,291)	12,030	98,284	186,707
Extraordinary Items (Net of Income Taxes)	-	-	-	-	-	-	-	-	-	-	(23,834)	79,365	143,353	198,884
NET INCOME (LOSS)	\$ 16,291	\$ 6,542	\$ 22,666	\$ 36,413	\$ 6,817	\$ 15,321	\$ 1,159	\$ (812)	\$ 3,248	\$ 12,039	\$ (67,125)	\$ 91,395	\$ 241,637	\$ 385,591

(a) Caesars Entertainment, Inc. sold AC Hilton to Colony Capital, LLC on April 26, 2005 and thus, two income statements were submitted for the period

(b) Harrah's Entertainment, Inc. acquired Caesars Entertainment, Inc. on June 13, 2005. Since there was no change to the casino licensee in this transaction, their financial statements reflected the entire period

**ATLANTIC CITY CASINO INDUSTRY
STATEMENTS OF INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2006
(\$ in Thousands)**

	AC Hilton	Bally's AC	Borgata	Caesars	Harrah's Marina	Resorts	Sands	Showboat	Tropicana	Trump Marina	Trump Plaza	Trump Taj Mahal	Industry
REVENUE:													
Casino	\$ 163,666	\$ 332,271	\$ 347,111	\$ 258,754	\$ 242,610	\$ 133,879	\$ 86,698	\$ 212,179	\$ 220,324	\$ 123,417	\$ 144,326	\$ 253,116	\$ 2,518,351
Rooms	11,054	26,273	44,973	18,771	24,143	10,480	6,285	19,933	35,978	8,732	10,792	16,709	234,123
Food and Beverage	21,361	41,803	57,341	30,847	27,620	15,188	9,151	28,516	29,580	13,832	15,944	27,415	318,598
Other	5,898	12,998	18,069	7,191	4,993	2,893	1,138	4,743	11,418	4,933	4,285	8,579	87,138
Total Revenue	201,979	413,345	467,494	315,563	299,366	162,440	103,272	265,371	297,300	150,914	175,347	305,819	3,158,210
Less: Promotional Allowances	55,767	85,828	90,554	62,594	69,584	40,502	20,843	69,699	60,191	33,310	41,976	63,169	694,017
NET REVENUE	146,212	327,517	376,940	252,969	229,782	121,938	82,429	195,672	237,109	117,604	133,371	242,650	2,464,193
COSTS AND EXPENSES:													
Cost of Goods and Services	94,184	210,909	197,298	149,915	115,640	86,161	54,124	107,561	138,599	71,766	79,682	143,571	1,449,410
Selling, General, and Administrative	23,897	19,572	52,180	22,073	26,732	25,317	18,639	19,487	33,835	20,699	32,621	40,276	335,328
Provision for Doubtful Accounts	952	282	3,438	1,221	377	294	211	280	984	268	779	1,167	10,253
Total Costs & Expenses	119,033	230,763	252,916	173,209	142,749	111,772	72,974	127,328	173,418	92,733	113,082	185,014	1,794,991
GROSS OPERATING PROFIT	27,179	96,754	124,024	79,760	87,033	10,166	9,455	68,344	63,691	24,871	20,289	57,636	669,202
Depreciation and Amortization	9,937	21,712	29,271	19,221	18,908	10,375	7,639	17,043	24,414	7,074	9,798	16,963	192,355
Charges from Affiliates Other than Interest:													
Management Fees	-	271	-	-	-	-	-	-	17,000	-	-	-	17,271
Other	1,996	5,686	-	4,911	7,649	-	214	10,860	-	2,031	2,229	3,062	38,638
INCOME (LOSS) FROM OPERATIONS	15,246	69,085	94,753	55,628	60,476	(209)	1,602	40,441	22,277	15,766	8,262	37,611	420,938
OTHER INCOME (EXPENSES):													
Interest (Expense) - Affiliates	-	(24,820)	-	(21,848)	(26,000)	(10,659)	-	(28,876)	(17,520)	(10,245)	(12,388)	(24,645)	(177,001)
Interest (Expense) - External	(10)	(370)	(8,353)	(257)	-	(1,660)	(216)	-	(12)	(590)	(1,000)	(1,235)	(13,703)
Invest. Alt. Tax & Related Income (Exp.)-Net	(1,081)	(3,391)	(1,454)	(2,382)	(1,887)	(497)	(633)	263	(997)	(398)	(609)	(1,077)	(14,143)
Nonoperating Income (Expense) - Net	299	336	(5,201)	(1,522)	(957)	365	469	(793)	4,901	431	439	1,117	(116)
Total Other Income (Expenses)	(792)	(28,245)	(15,008)	(26,009)	(28,844)	(12,451)	(380)	(29,406)	(13,628)	(10,802)	(13,558)	(25,840)	(204,963)
Income(Loss) Before Taxes&Extraordinary Items	14,454	40,840	79,745	29,619	31,632	(12,660)	1,222	11,035	8,649	4,964	(5,296)	11,771	215,975
Provision (Credit) for Income Taxes	1,287	16,462	237	12,194	3,556	175	506	4,777	2,501	753	561	1,517	44,526
Income (Loss) Before Extraordinary Items	13,167	24,378	79,508	17,425	28,076	(12,835)	716	6,258	6,148	4,211	(5,857)	10,254	171,449
Extraordinary Items (Net of Income Taxes)	-	-	-	-	-	-	-	-	-	-	-	-	-
NET INCOME (LOSS)	\$ 13,167	\$ 24,378	\$ 79,508	\$ 17,425	\$ 28,076	\$ (12,835)	\$ 716	\$ 6,258	\$ 6,148	\$ 4,211	\$ (5,857)	\$ 10,254	\$ 171,449

As of 8/17/2006

**ATLANTIC CITY CASINO INDUSTRY
STATEMENTS OF INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2005
(\$ in Thousands)**

	AC Hilton (a) (Caesars)	(a) (Colony)	Bally's (b)	Borgata	Caesars (b)	Harrah's Marina	Resorts	Sands	Showboat	Tropicana	Trump Marina	Trump Plaza	Trump Taj Mahal	Industry
REVENUE:														
Casino	\$ 81,095	\$ 53,203	\$ 304,713	\$ 331,650	\$ 245,068	\$ 220,286	\$ 128,547	\$ 88,219	\$ 190,084	\$ 205,931	\$ 128,423	\$ 147,833	\$ 246,429	\$ 2,371,481
Rooms	6,261	4,467	24,274	43,223	18,580	22,409	10,395	5,184	18,895	29,964	8,450	11,289	15,349	218,740
Food and Beverage	10,874	7,030	42,676	58,684	28,914	24,634	10,806	10,281	21,813	28,364	15,297	17,839	26,302	303,514
Other	3,949	1,352	10,850	12,562	8,869	5,444	2,478	1,693	2,659	10,719	4,725	5,443	7,709	78,452
Total Revenue	102,179	66,052	382,513	446,119	301,431	272,773	152,226	105,377	233,451	274,978	156,895	182,404	295,789	2,972,187
Less: Promotional Allowances	25,318	15,799	76,902	89,599	61,936	63,992	33,233	24,489	56,568	48,904	37,577	48,492	68,725	651,534
NET REVENUE	76,861	50,253	305,611	356,520	239,495	208,781	118,993	80,888	176,883	226,074	119,318	133,912	227,064	2,320,653
COSTS AND EXPENSES:														
Cost of Goods and Services	45,345	32,910	188,325	189,672	126,812	104,560	80,887	55,949	93,910	137,015	73,317	79,484	139,729	1,347,915
Selling, General, and Administrative	28,832	8,710	40,564	47,991	39,740	22,346	19,027	18,058	14,094	37,520	21,148	33,123	36,591	367,744
Provision for Doubtful Accounts	128	58	575	1,965	2,238	186	108	157	121	594	439	714	849	8,132
Total Costs & Expenses	74,305	41,678	229,464	239,628	168,790	127,092	100,022	74,164	108,125	175,129	94,904	113,321	177,169	1,723,791
GROSS OPERATING PROFIT	2,556	8,575	76,147	116,892	70,705	81,689	18,971	6,724	68,758	50,945	24,414	20,591	49,895	596,862
Depreciation and Amortization	5,707	2,093	22,750	27,160	16,996	18,613	9,706	8,012	16,843	20,937	9,615	9,770	22,298	190,500
Charges from Affiliates Other than Interest														
Management Fees	2,644	-	10,097	-	7,950	-	-	-	-	17,400	-	-	-	38,091
Other	-	-	-	-	3,262	6,337	-	391	9,356	-	1,783	2,380	2,864	26,373
INCOME (LOSS) FROM OPERATIONS	(5,795)	6,482	43,300	89,732	42,497	56,739	9,265	(1,679)	42,559	12,608	13,016	8,441	24,733	341,898
OTHER INCOME (EXPENSES):														
Interest (Expense) - Affiliate	(6,000)	-	(24,625)	-	(19,811)	(26,000)	(10,625)	-	(28,880)	(26,820)	(19,187)	(23,043)	(42,139)	(227,130)
Interest (Expense) - External	27	-	(392)	(12,784)	(244)	-	(759)	(322)	-	(3)	(830)	(1,214)	(1,941)	(18,462)
Invest. Alt. Tax & Related Income (Exp.)-Net	(715)	(402)	(2,905)	(3,383)	(778)	(1,821)	(401)	(214)	(1,056)	(661)	(526)	(698)	(1,037)	(14,597)
Nonoperating Income (Expense) - Net	31,662	195	11,673	178	(266)	(189)	303	233	(6,283)	1,376	(41,836)	17,743	105,321	120,110
Total Other Income (Expenses)	24,974	(207)	(16,249)	(15,989)	(21,099)	(28,010)	(11,482)	(303)	(36,219)	(26,108)	(62,379)	(7,212)	60,204	(140,079)
Income(Loss) Before Taxes&Extraordinary Items	19,179	6,275	27,051	73,743	21,398	28,729	(2,217)	(1,982)	6,340	(13,500)	(49,363)	1,229	84,937	201,819
Provision (Credit) for Income Taxes	8,101	(267)	8,128	(604)	9,890	3,871	(207)	499	2,578	451	731	813	1,241	35,225
Income (Loss) Before Extraordinary Item:	11,078	6,542	18,923	74,347	11,508	24,858	(2,010)	(2,481)	3,762	(13,951)	(50,094)	416	83,696	166,594
Extraordinary Items (Net of Income Taxes)	-	-	-	-	-	-	-	-	-	-	(23,834)	79,365	143,353	198,884
NET INCOME (LOSS)	\$ 11,078	\$ 6,542	\$ 18,923	\$ 74,347	\$ 11,508	\$ 24,858	\$ (2,010)	\$ (2,481)	\$ 3,762	\$ (13,951)	\$ (73,928)	\$ 79,781	\$ 227,049	\$ 365,478

(a) Caesars Entertainment, Inc. sold AC Hilton to Colony Capital, LLC on April 26, 2005 and thus, two income statements were submitted for the period.

(b) Harrah's Entertainment, Inc. acquired Caesars Entertainment, Inc. on June 13, 2005. Since there was no change to the casino licensee in this transaction, their financial statements reflected the entire period.

**ATLANTIC CITY CASINO INDUSTRY
PROMOTIONAL ALLOWANCES AND EXPENSES
FOR THE QUARTER AND YEAR-TO-DATE ENDED JUNE 30, 2006
(\$ in Thousands)**

	QUARTER			YEAR-TO-DATE		
	<u>Allowances</u>	<u>Expenses</u>	<u>Total</u>	<u>Allowances</u>	<u>Expenses</u>	<u>Total</u>
AC Hilton	\$ 29,784	\$ 2,281	\$ 32,065	\$ 55,767	\$ 5,057	\$ 60,824
Bally's AC	44,704	4,209	48,913	85,828	9,678	95,506
Borgata	47,765	9,393	57,158	90,554	19,478	110,032
Caesars	29,539	7,593	37,132	62,594	16,123	78,717
Harrah's Marina	35,854	3,313	39,167	69,584	6,434	76,018
Resorts	20,357	3,818	24,175	40,502	6,945	47,447
Sands	10,870	1,878	12,748	20,843	3,510	24,353
Showboat	36,172	1,122	37,294	69,699	1,955	71,654
Tropicana	31,728	3,387	35,115	60,191	7,154	67,345
Trump Marina	18,168	2,869	21,037	33,310	5,135	38,445
Trump Plaza	23,575	4,049	27,624	41,976	7,771	49,747
Trump Taj Mahal	34,918	6,087	41,005	63,169	10,590	73,759
Industry	<u>\$ 363,434</u>	<u>\$ 49,999</u>	<u>\$ 413,433</u>	<u>\$ 694,017</u>	<u>\$ 99,830</u>	<u>\$ 793,847</u>
Incr (Decr) vs. Prior Period	5.2%	10.7%	5.9%	6.5%	14.7%	7.5%

**ATLANTIC CITY CASINO INDUSTRY
PROMOTIONAL ALLOWANCES AND EXPENSES
FOR THE QUARTER AND YEAR-TO-DATE ENDED JUNE 30, 2005
(\$ in Thousands)**

	QUARTER			YEAR-TO-DATE		
	<u>Allowances</u>	<u>Expenses</u>	<u>Total</u>	<u>Allowances</u>	<u>Expenses</u>	<u>Total</u>
AC Hilton	\$ 22,143	\$ 3,251	\$ 25,394	\$ 41,117	\$ 7,202	\$ 48,319
Bally's AC	39,612	5,153	44,765	76,902	10,266	87,168
Borgata	46,168	8,281	54,449	89,599	15,339	104,938
Caesars	34,098	6,879	40,977	61,936	12,853	74,789
Harrah's Marina	35,753	2,705	38,458	63,992	4,913	68,905
Resorts	17,558	1,253	18,811	33,233	2,486	35,719
Sands	11,951	1,840	13,791	24,489	3,842	28,331
Showboat	31,590	457	32,047	56,568	714	57,282
Tropicana	26,186	3,747	29,933	48,904	7,591	56,495
Trump Marina	19,372	3,000	22,372	37,577	5,421	42,998
Trump Plaza	25,437	4,228	29,665	48,492	7,581	56,073
Trump Taj Mahal	35,472	4,381	39,853	68,725	8,856	77,581
Industry	<u>\$ 345,340</u>	<u>\$ 45,175</u>	<u>\$ 390,515</u>	<u>\$ 651,534</u>	<u>\$ 87,064</u>	<u>\$ 738,598</u>

As of 8/17/2006

**ATLANTIC CITY CASINO INDUSTRY
HOTEL STATISTICS
FOR THE QUARTER ENDED JUNE 30, 2006**

CASINO	NUMBER OF GUEST ROOMS IN PROPERTY*	NUMBER OF AVAILABLE ROOM NIGHTS	NUMBER OF OCCUPIED ROOM NIGHTS	OCCUPANCY RATE	AVERAGE RATE PER OCCUPIED ROOM
AC Hilton	805	72,903	72,012	98.8%	\$ 83.09
Bally's AC	1,745	158,534	153,863	97.1%	92.97
Borgata	1,971	178,067	168,646	94.7%	138.08
Caesars	1,139	102,122	98,322	96.3%	96.87
Harrah's Marina	1,630	146,100	134,843	92.3%	93.81
Resorts	879	76,767	70,670	92.1%	79.78
Sands	620	52,692	50,297	95.5%	67.39
Showboat	1,331	120,461	113,860	94.5%	92.25
Tropicana	2,129	193,739	185,188	95.6%	105.17
Trump Marina	728	66,248	53,977	81.5%	83.91
Trump Plaza	906	82,446	63,627	77.2%	89.65
Trump Taj Mahal	1,250	113,750	104,832	92.2%	85.01
INDUSTRY TOTAL	15,133	1,363,829	1,270,137		
INDUSTRY AVERAGE				93.1%	\$97.55

* Number of guest rooms at end of quarter

As of 8/17/2006

**ATLANTIC CITY CASINO INDUSTRY
HOTEL STATISTICS
FOR THE SIX MONTHS ENDED JUNE 30, 2006**

CASINO	NUMBER OF GUEST ROOMS IN PROPERTY*	NUMBER OF AVAILABLE ROOM NIGHTS	NUMBER OF OCCUPIED ROOM NIGHTS	OCCUPANCY RATE	AVERAGE RATE PER OCCUPIED ROOM
AC Hilton	805	144,801	140,615	97.1%	\$ 78.64
Bally's AC	1,745	314,002	302,445	96.3%	86.84
Borgata	1,971	349,174	325,901	93.3%	135.05
Caesars	1,139	203,348	194,505	95.7%	95.62
Harrah's Marina	1,630	292,300	260,166	89.0%	92.80
Resorts	879	151,346	131,367	86.8%	82.51
Sands	620	100,608	94,843	94.3%	66.13
Showboat	1,331	238,271	221,476	93.0%	90.00
Tropicana	2,129	385,349	354,144	91.9%	101.59
Trump Marina	728	131,768	104,389	79.2%	83.65
Trump Plaza	906	163,806	125,439	76.6%	86.03
Trump Taj Mahal	1,250	226,250	203,159	89.8%	82.25
INDUSTRY TOTAL	15,133	2,701,023	2,458,449		
INDUSTRY AVERAGE				91.0%	\$94.91

* Number of guest rooms at end of quarter

As of 8/17/2006